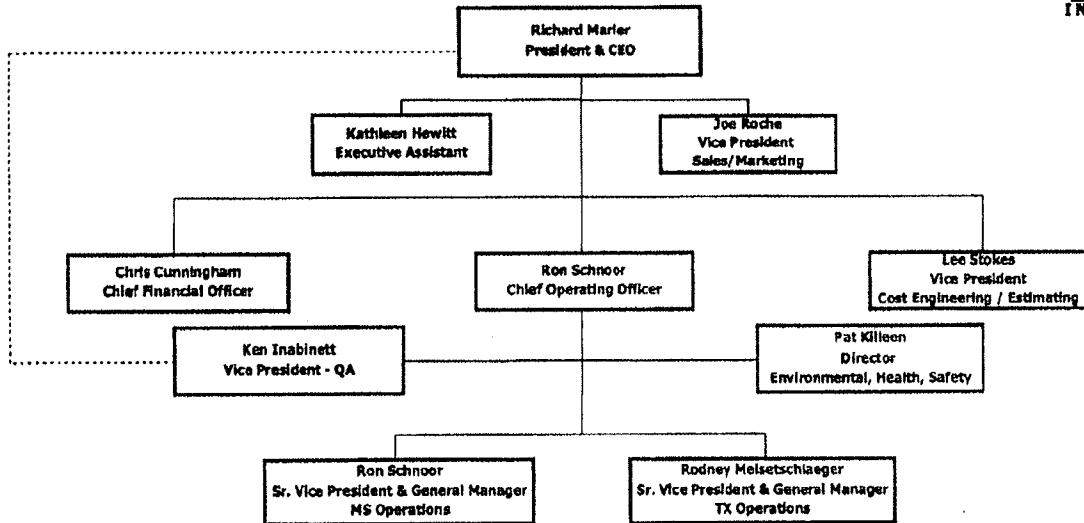


# Signal International, LLC

## Corporate Organizational Chart



Updated April 2008

TRIPM 0149



# MISSISSIPPI OPERATIONS

## **ENVIRONMENTAL HEALTH AND SAFETY (EHS) MANAGEMENT PLAN**

**December-07/Rev. 0**

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# Signal



# International

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## Environmental Health and Safety Guidelines Manual



## INCIDENT EVALUATION

### INJURY

#### *Minor Injury*

- Stabilize Victim - Provide first aid as necessary
- Secure incident scene
- Assist with response efforts as necessary
- Assist as requested
- Notify EHS
- Notify Production Dept. and Project Management
- Assemble incident information
- Conduct a root cause investigation and complete report(s)
- Review incident/Accident report
- Conduct a full management review which includes; senior management and all parties involved in or related to the incident
- Include lessons learned findings for facility-wide distribution

#### *Fatality or Serious Injury*

- Stabilize Victim(s); notify rescue services if applicable
- Secure Incident Scene
- Assist with response efforts
- Notify EHS, Signal Senior Management, (Customer Management if applicable) Production Dept. and Project Management. In the event the individual is a sub-contractor, notify the appropriate entity(s).
- Assemble Incident Information
- Conduct a Root Cause (per Fish-Bone analysis protocol) Investigation and Complete
- Conduct a full management review which includes; senior management and all parties involved in or related to the incident
- Develop Lessons Learned Countermeasures to Reduce Incident Reoccurrence
- Produce EHS Alert (can be distributed by either/or email or hard copy) and
- Present lessons-learned in future EHS Training

## INCIDENT/INJURY REPORTING/NOTIFICATION FLOWCHART

- Incident/injury Occurs
- Signal EHS notified
- Signal Management/Customer Management notified
- Signal Human Resources notified (for workman's compensation notification)
- In the event the individual is a customer or sub-contractor, notify the appropriate entity. Applicable workmen's compensation carrier notified

SIGNAL



INTERNATIONAL

WHEN COMPLETE, THIS COVER SHEET AND THE BELOW LISTED

INFORMATION SHOULD BE SENT TO:

ORIGINALS\*FACILITY FILE

(COPIES) \*TRACY BINION - MISSISSIPPI OPERATIONS

(COPIES)\*SUSAN CARLQUIST - TEXAS OP'S

(COPIES) \*PAT KILLEEN @ SIGNALINTERNATIONAL, MISSISSIPPI OPERATIONS

(COPIES) \*APPLICABLE DIVISION PERSONNEL, E.G., PRESIDENT, V.P., ETC.

**INCIDENT/ACCIDENT INVESTIGATION INFORMATION  
PAPERWORK CHECKLIST**

INCIDENT EVALUATION COVER-SHEET ATTACHED

INCIDENT/ACCIDENT INVESTIGATION REPORT ATTACHED

STATEMENT OF THE PERSON INVOLVED IN THE INCIDENT/ACCIDENT ATTACHED

SEPARATE/INDIVIDUAL INVESTIGATION INFORMATION (IF APPLICABLE) ATTACHED

FOREMANS INCIDENT/ACCIDENT REPORT ATTACHED

STATEMENT OF WITNESS(ES) ATTACHED

DRUG TEST PERFORMED (YES/NO)  RESULTS RECEIVED (YES/NO)

OSHA 300 LOG COMPLETED/UPDATED WITH PROPER INFORMATION (YES/NO)

MANAGEMENT REVIEW SCHEDULED (YES/KNO)  DATE

OTHER INCIDENT/ACCIDENT INVESTIGATION INFORMATION ATTACHED (PLEASE LIST)

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SIGNATURE OF THE INDIVIDUAL COMPLETING THIS INFORMATION:

/

DATE

NOTES:

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SI-EHS #008/REV.0

**SIGNAL**  
  
**INTERNATIONAL**  
*A Marine & Fabrication Company*  
**Incident Investigation Report**

**Report only (for informational purposes; no injury, no material damage)**

Injury: \_\_\_\_\_ Property Damage: \_\_\_\_\_ Near hit: \_\_\_\_\_

Project Being Worked: \_\_\_\_\_

Specific Location of Incident: \_\_\_\_\_

Date of Incident: \_\_\_\_\_ Day of Week: \_\_\_\_\_ Time of Incident: \_\_\_\_\_

Employee Name: \_\_\_\_\_

Badge #: \_\_\_\_\_ Date of Hire: \_\_\_\_\_ Craft: \_\_\_\_\_

Foreman: \_\_\_\_\_ General Foreman: \_\_\_\_\_

Superintendent: \_\_\_\_\_

Category:	<input type="checkbox"/> Employee	<input type="checkbox"/> Visitor
	<input type="checkbox"/> Customer	Company Name: _____
	<input type="checkbox"/> Subcontractor	Company Name: _____

Length of Employment at time of Incident: \_\_\_\_\_ Time in Occupation at time of Incident: \_\_\_\_\_

Consecutive Days Worked prior to Incident: \_\_\_\_\_

Severity of Injury:	<input type="checkbox"/> Medical Treatment / Recordable	<input type="checkbox"/> Medical Only
	<input type="checkbox"/> Medical Treatment / Non-Recordable	<input type="checkbox"/> Restricted
	<input type="checkbox"/> LTA	

Type of Property Damaged: \_\_\_\_\_ Witnesses: \_\_\_\_\_

**SIGNAL**  
  
**INTERNATIONAL**

**FIRE RESPONSE/EMERGENCY ACTION PLAN**  
**- insert rig/location -**

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14. OTHER INFORMATION	

ATTACHMENTS:

- A. FACILITY MAP INDICATING DOCKSIDE MUSTER STATIONS
- B. SI EMERGENCY NOTIFICATION MATRIX
- C. FIREWATCH TRAINING PROGRAM
- D. EMERGENCY, MEDICAL & REGULATORY ENTITIES
- E. SIGNAL INTERNATIONAL PROJECT ORGANIZATION CHART
- F. FIRE MANIFOLDS/ACCESS & EGRESS
- G. SI JOB RISK ANALYSIS & PERMIT TO WORK SYSTEM
- H. AMIRANTE - LIST OF CHEMICALS BY COMPARTMENT
- I. SI FIRE FIGHTING EXTINGUISHER CHECK LIST
- J. FIRE PUMP INSPECTION / MAINTENANCE SHEET

Incident Description As Reported:

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Describe what Investigation Revealed (USING THE FISHBONE ANALYSIS PROTOCOL AS A GUIDANCE):

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Root Causes of Incident following Investigation:

---

Corrective Actions Taken to Prevent Reoccurrence:

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Disciplinary Actions:

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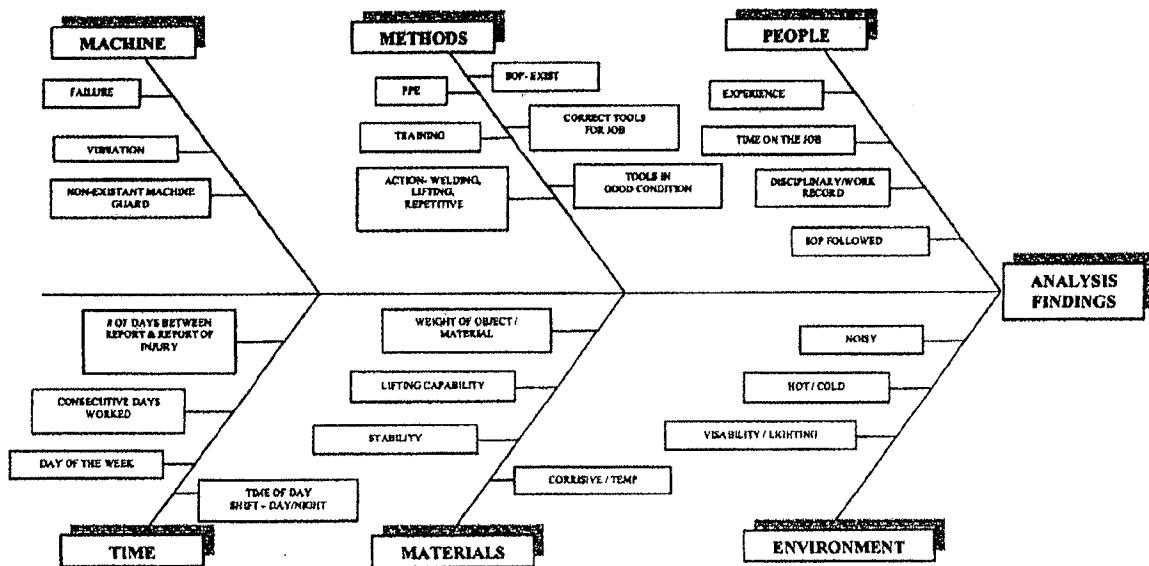
Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Attachments included:

- Statement of person involved in the incident
- Statement of witnesses
- Foreman's incident report
- Fishbone analysis protocol

## FISHBONE ANALYSIS PROTOCOL



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**INVESTIGATION NOTES:**



### FOREMAN'S INCIDENT / ACCIDENT REPORT

Fill in all blocks (mark N/A if applicable)

Date of Report: \_\_\_\_\_

Claimant's Name: \_\_\_\_\_

Company: \_\_\_\_\_

Claimant's Social Security # \_\_\_\_\_

Badge #: \_\_\_\_\_

List of employees involved in incident:

1. \_\_\_\_\_ Dept.: \_\_\_\_\_ Badge: \_\_\_\_\_
2. \_\_\_\_\_ Dept.: \_\_\_\_\_ Badge: \_\_\_\_\_
3. \_\_\_\_\_ Dept.: \_\_\_\_\_ Badge: \_\_\_\_\_
4. \_\_\_\_\_ Dept.: \_\_\_\_\_ Badge: \_\_\_\_\_
5. \_\_\_\_\_ Dept.: \_\_\_\_\_ Badge: \_\_\_\_\_

What were your instructions to the employees prior to the incident?

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Describe in detail what happened?

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What equipment was involved?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

Foreman's Signature: \_\_\_\_\_ Date: \_\_\_\_\_



### STATEMENT OF PERSON INVOLVED IN ACCIDENT / INCIDENT

Date: \_\_\_\_\_

Job No.: \_\_\_\_\_

Job Name: \_\_\_\_\_

Employee Name: \_\_\_\_\_

Badge No.: \_\_\_\_\_

Foreman: \_\_\_\_\_ Buddy (If new hire): \_\_\_\_\_

What were your instructions for the task you were performing? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Who instructed you on the task you were performing?: \_\_\_\_\_

Please describe below, in your own words, the facts concerning the incident: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Use reverse for additional comments)

---

Signature

---

Print Name

---

Date



### **Accident/Incident-Statement of Witness**

**Date:** \_\_\_\_\_

Job No.: \_\_\_\_\_ Job Name: \_\_\_\_\_

Employees Name: \_\_\_\_\_ Badge No.: \_\_\_\_\_

**Please describe below, in your own words, the facts concerning the incident that occurred on \_\_\_\_\_.**

**What were your instructions on how to perform the job, before you started work the day of the accident?**

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**Witness' Signature**

Witness' Printed Name

Date



**Job Risk Analysis  
&  
Permit to Work  
System**

## Job Risk Analysis Process

1. Before the start of a task that will take place within a Signal International facility on a rig or other marine vessel, supervisors (craft superintendents) must conduct a Job Risk Analysis (JRA) with their employees to identify the hazards and controls associated with the job to be performed.
2. When a job is identified, the first action is to establish what tasks it will involve. This initial appraisal should identify the need for any special safety requirements and identify if the task can or cannot be carried out safely. If the likely hazards cannot be reconciled at this stage, then the task should be rejected or redefined.
3. The next stage involves identifying the hazards associated with the tasks, assessing the risks and identifying the controls/precautions required to mitigate those risks. Where a task comprises a number of separate activities, these should be broken down into individual tasks and assessed separately. The extent of the controls identified will depend upon the level of risk associated with the task. **THE HIGHER THE RISK, THE GREATER THE DEGREE OF CONTROL.** This task risk assessment process is documented on a Job Risk Analysis (JRA) form and one copy is given to the Signal International EHS (Safety) Department and the second copy is retained by the craft for use before performing the same job in the future.
4. A new risk assessment will not be required for every job. Where a job has previously been assessed, or is covered by a procedure, it may not need a new risk assessment. Where this is the case, the previous assessment or procedure should be reviewed to ensure that the hazards and controls are still relevant and that any site or job specific controls are identified. Risk assessments are reviewed and renewed every 30 days.
5. For **VERY** low-risk jobs performed by competent/knowledgeable employees, no formal recorded risk assessment is required as the individual's competency and skill assist in the completing of the task in a safe manner.
6. Prior to undertaking the job, the appropriate approval should be obtained along with a discussion of the job in a toolbox meeting between the supervisor and employees who will carry out the job. The supervisor and craft superintendent are responsible for determining if the job has been previously risk assessed or if this is a new job that requires a new risk assessment. If it has been previously assessed, the hazards, controls and individual responsibilities are then communicated from the original JRA to the entire work team. Where the team identifies any additional hazards and controls (especially those specific to the site and the local conditions), the JRA is then updated as appropriate. If the job has not been previously assessed, a Job Risk Analysis is performed and similarly reviewed with the entire work team, with a copy given to the EHS Department as in Section 3.
7. Once the task commences, the worksite should be monitored for any change in conditions that might alter the hazards and controls in place. If there is any concern, **STOP THE WORK**, re-assess the controls and, if necessary, re-plan and re-assess the task.
8. On completion of the task, it is important to capture any lessons learned and make improvements to the JRA for the next time the job is performed.

**A. The principal responsibilities of Managers, Foreman and Superintendents are to:**

Complete the SI JRA Request form and issue one copy of the form to the SI-EHS Department.

\*Eliminate and reduce risks wherever practicable

\*Combat risks at source

\*Ensure suitable and sufficient assessment of all risks to the health and safety of their employees, or any third parties, caused by their work activities

\*Ensure that assessments are recorded, reviewed and maintained as valid

\*Ensure that an appropriate approval process is in operation, commensurate with the level of the risk assessed

\*Give appropriate information, instruction and training to employees and ensure competence of involved personnel

**B. The principal responsibilities of Front-line Supervision are to:**

\*Review and identify what level of risk assessment each job is required

\*Ensure that all jobs undertaken within their area of responsibility are assessed to identify any hazards.

\*Ensure that control measures are implemented to reduce the likelihood of a risk occurring to as low as reasonably practicable

\*Reject or redefine the activity if residual risk is too high after being reduced to as low as reasonably practicable

\*Ensure that any potential improvements highlighted during the assessment process are reviewed and actions taken as appropriate

\*Communicate details of the Job Risk Analysis to the work team, allocating individual responsibilities for job tasks and control measures-EACH MEMBER OF THE WORK TEAM MUST SIGN THE JRA ACKNOWLEDGING THAT THEY UNDERSTAND THE WORK AND ASSOCIATED HAZARDS

\*Ensure that all members of the work team have the opportunity to identify further hazards and controls during the pre-job toolbox meeting using the JRA

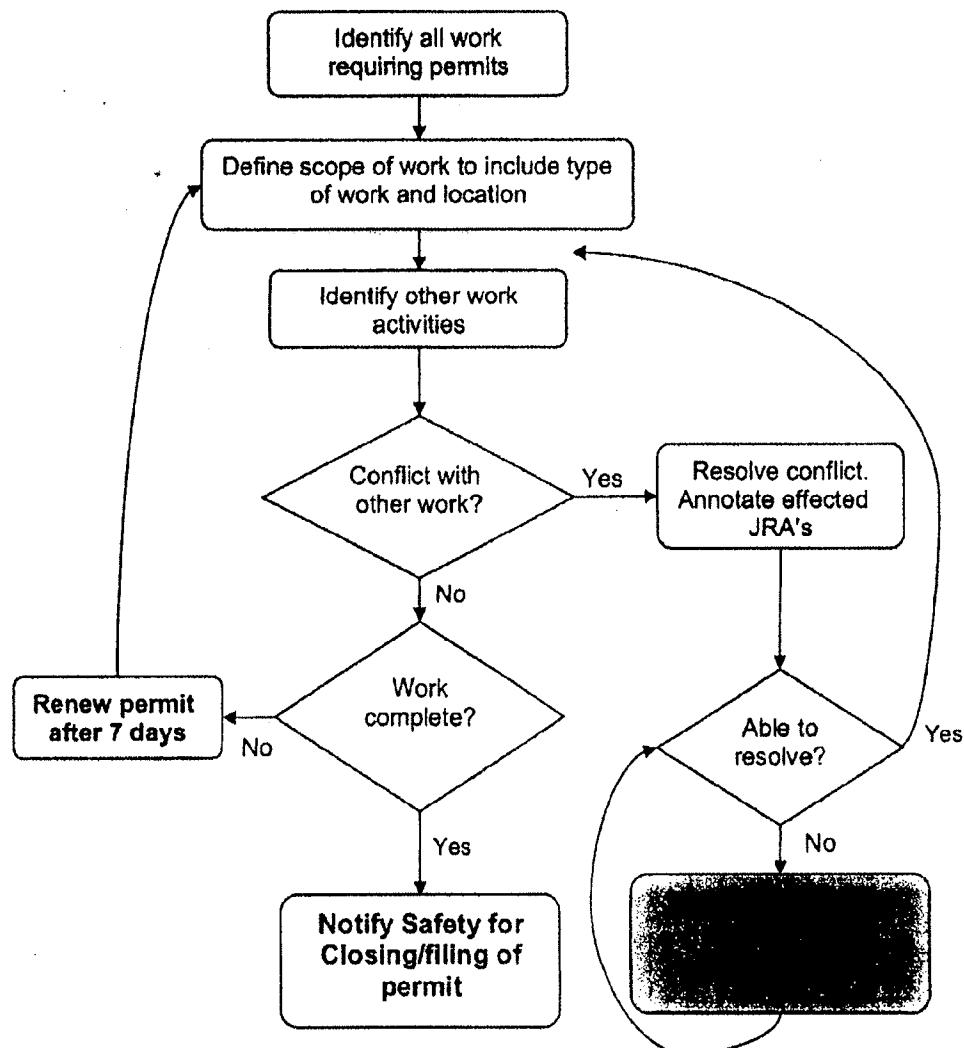
\*Ensure that before work commences all members of the work team are in agreement with the detail of the JRA and the proposed control measures and that they are reminded that anyone has both the authority and responsibility to stop the job if there is a doubt about the safety of the operation

\*Post the appropriate work performance package at the job site

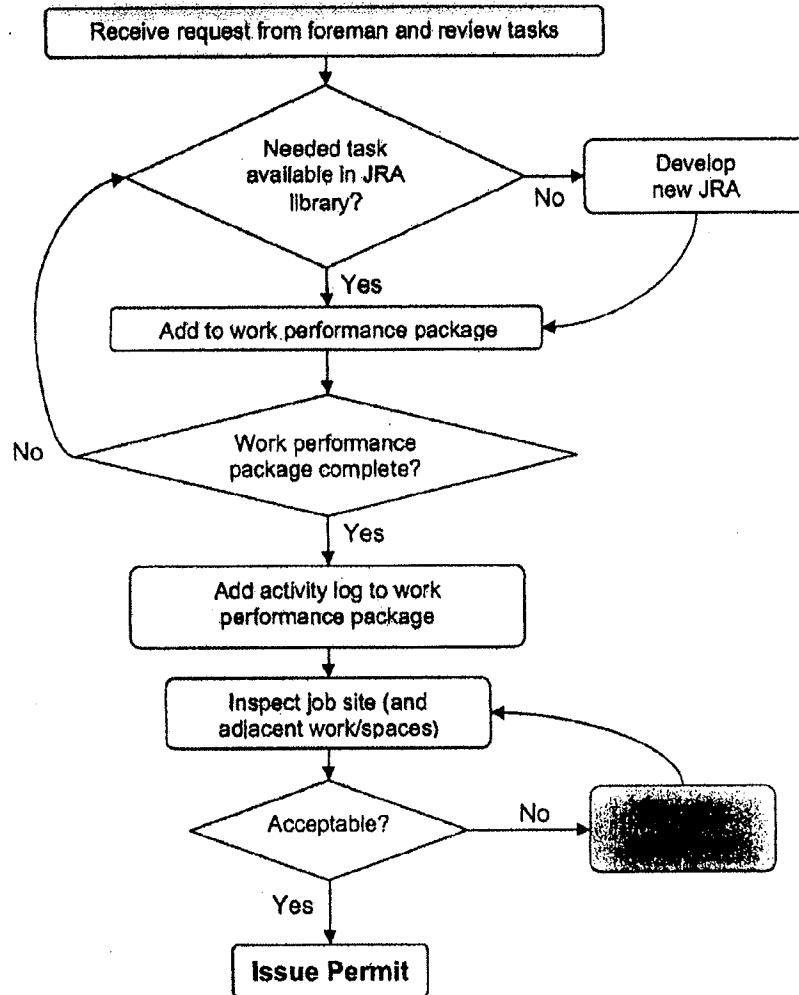
\*Return the work performance package to the daily JRA meeting for review and updating

\*At the completion of the JRA meeting, the work performance package is returned and posted at the job site and reviewed with the applicable/impacted employees

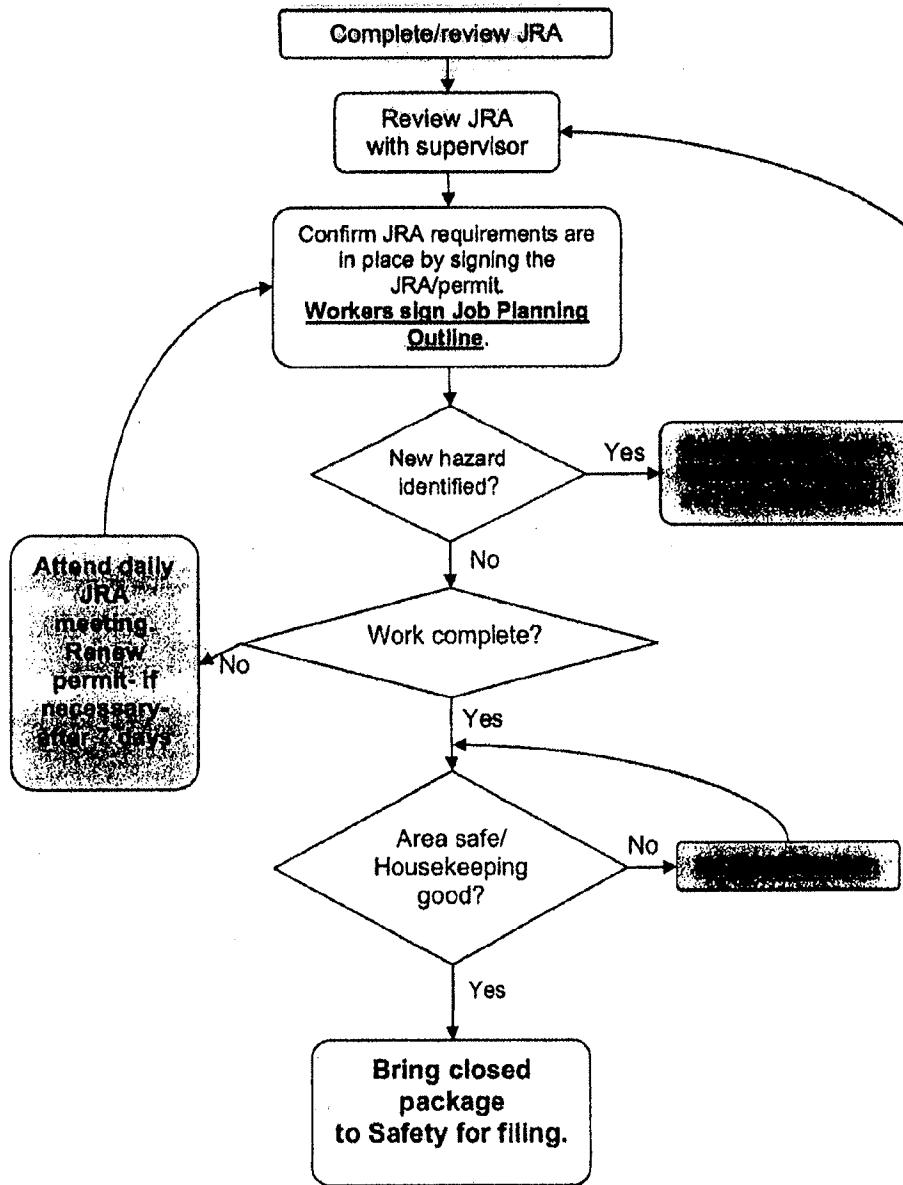
## INITIAL JRA OBLIGATION PROJECT SUPERINTENDENT RESPONSIBILITIES



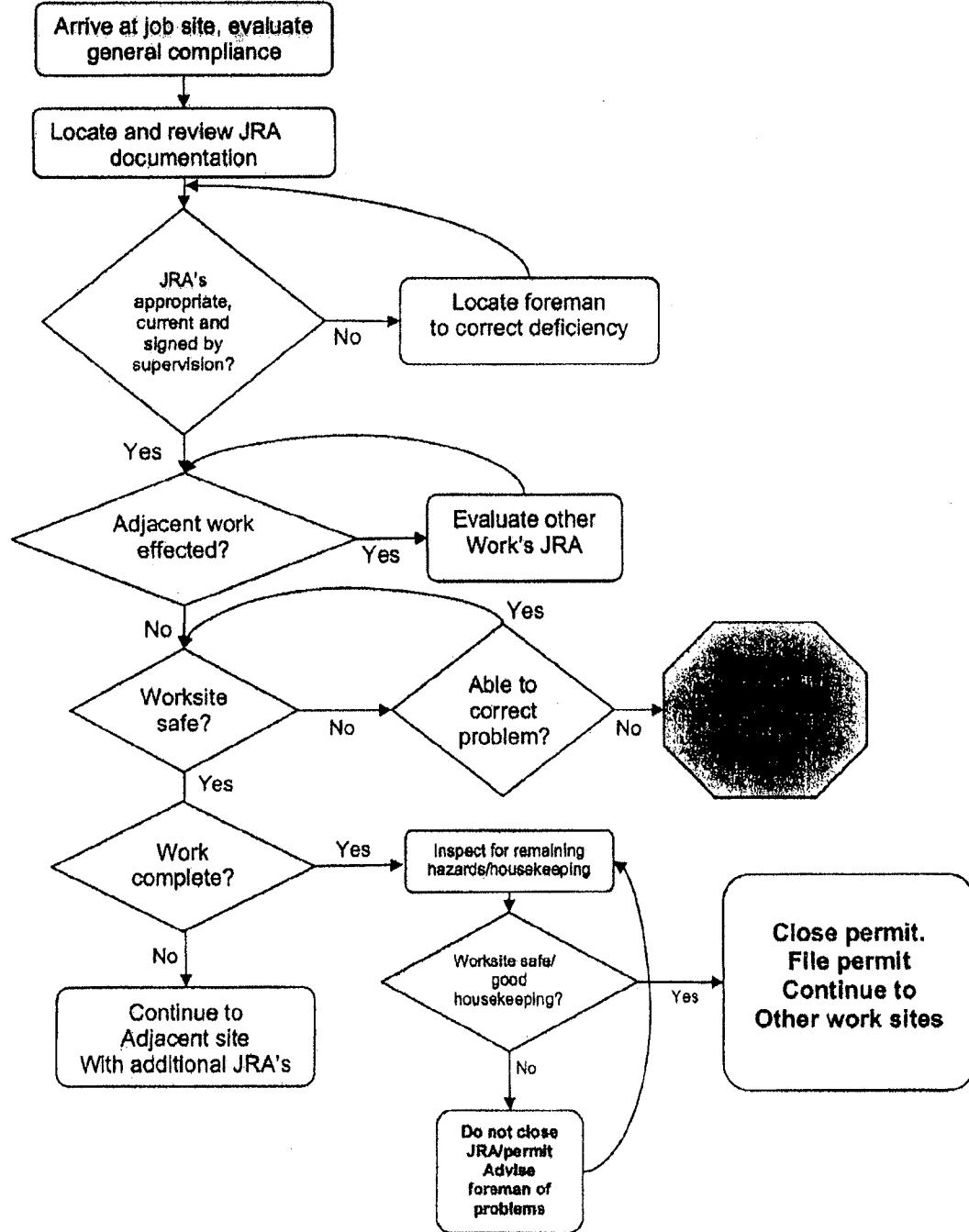
## JRA ISSUANCE SAFETY REP RESPONSIBILITIES



## JRA IMPLEMENTATION FORMAN/SUPERVISOR RESPONSIBILITES



## JRA FIELD EVALUATION SAFETY REP RESPONSIBILITIES



## **Permit To Work System**

### ***Section No. 1 – Purpose and Scope***

A Permit-to-Work system has been established to assist in controlling all hazards associated with fabrication activities conducted at all Signal International operations. The purpose of this process is to create a system of communication among the personnel involved in carrying out potentially hazardous work and to ensure that risk of injury and damage is fully managed. These work practices are intended to provide guidelines for the implementation of the Permit-To-Work system and to establish a structure for working within written Permits-To-Work. The scope of this procedure is for all activities performed onboard rigs or other similar marine vessels, and/or activities that have significant risk (i.e. heavy lifts) at Signal International facilities. Certain activities, once evaluated by the execution of a 'Job Risk Analysis', will not require a permit. These activities will be determined on a case-by-case basis, pending the completion and subsequent review of the Job Risk Analysis.

Described below are the levels of authority, responsibility and actions required by the relevant entity in order to complete the issuance of the Permit-To-Work:

### ***Section No. 2 – Responsible Authority (Project Superintendent)***

The Responsible Authority is responsible to manage and administer the Permit-To-Work system, including ensuring that participating personnel are aware of the requirements of the permit and are competent to perform the specific job-task required to complete the work in a safe, environmentally friendly and efficient manner. The Responsible Authority will oversee all ongoing operations and planned activities to ensure conflicts and increased risks are not caused by concurrent activities. The Responsible Authority, in conjunction with the EHS (Safety) Department is responsible for the overall coordination of the Permit-To-Work system. In order to efficiently administer the PTW system, the Responsible Authority can delegate authority if/when applicable.

***The Responsible Authority shall ensure that:***

- Prior to performing work, all work requiring permits are identified and the Job Risk Analysis documents are completed and/or reviewed
- Each permit shall contain a clear description of the work to be done and it's location
- PTW activities that may interact or affect one another are clearly and effectively cross-referenced.
- A coloring system will be used to easily identify specific hazards and/or activities within a permit or permit area. The system will be as follows:
  - RED DOTS will be placed on a permit if the activities contained within the permit include/involve HOT WORK
  - YELLOW DOTS will be placed on a permit in the activities contained within the permit include/involve COLD WORK
  - BLUE DOTS will be placed on a permit in the permitted activity will be performed rig/vessel wide (this would include certain maintenance activities, certain scaffold building activities, etc.)
- PTW validation, via project activity meetings, will be conducted at a specified project location on a daily basis (this time-frame can/will vary when work is not performed due to weekends/holidays/rainouts, etc.)
- Permits will not exceed a 7 day period (this time-frame can/will vary when work is not performed due to weekends/holidays/rainouts, etc.)
- All other work, which would create a hazard if undertaken at the same time, is made safe and/or suspended.
- That a review of the work scope, JRA and inspection of the work site is completed daily (this time-frame can/will vary when work is not performed due to weekends/holidays/rainouts, etc.)

***Section No. 3 – Issuing Authority (EHS-Safety Department)***

The Issuing Authority shall be the Signal International, EHS (Safety) Department. They shall assist in/be responsible for:

- Review Job Risk Analysis to ensure all hazards associated with the proposed task being identified and listed
- All safety measures and/or equipment that are required for the job incorporated in conducting the task
- That the persons conducting the work are aware of the precautions to be taken during the active period of the permit
- That no work will commence until the permit has been approved in writing by both the Responsible and Issuing Authority
- Inspection of the work site.
- Notifying the Responsible Authority/Management if/when a permit is suspended and the conditions surrounding the permit suspension
- Periodically during the operation, reviewing the Job Risk Analysis as to their continued applicability to the job task.
- Permits are validated and/or re-issued every 24 hrs. (This time-frame can/will vary when work is not performed due to weekends/holidays/rainouts, etc.)
- That all permits are displayed in the work area in a manner that they can be read/reviewed by the employees.

**Section No. 4 – Performing Authority**

The Performing Authority is the front-line supervisor (Foreman or other frontline supervisor) authorized to carry out the work within the Permit-To-Work parameters. Prior to performing the work activity, the Performing Authority will:

- Complete/review a Job Risk Analysis to understand the potential hazards associated with the permitted work, and must review the Permit-To-Work and the JRA with their employees performing the work.
- Confirm that all requirements of the Permit-To-Work are in place by endorsing the permit with his signature
- Be able to recognize signs or symptoms of exposure to the anticipated hazards, and understand the consequences of exposure to those hazards to all employees in the work area
- Maintain communication with all personnel when/if a hazard in the work space develops
- Assist all employees in the exiting of the work area as quickly as possible whenever ordered or alerted to do so
- Assure compliance of all conditions of the work permit by the employees performing the work.

## **Job Risk Analysis/Permit To Work Forms**

## JRA REQUEST FORM

DATE TO BEGIN WORK: \_\_\_\_\_

FOREMAN: \_\_\_\_\_

CRAFT: \_\_\_\_\_

JOB #: \_\_\_\_\_

LOCATION OF WORK: \_\_\_\_\_

BRIEF DESCRIPTION OF  
WORK: \_\_\_\_\_

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SIGNATURE: \_\_\_\_\_

DATE OF REQUEST: \_\_\_\_\_

SI-EHS #002/REV. 0



Permit No. \_\_\_\_\_

**PERMIT TO WORK – JRA(s) must be completed prior to issuance of PTW**

Person In Charge of the Work: \_\_\_\_\_ Position: \_\_\_\_\_

Location: \_\_\_\_\_

Type of Work Performed:  Hot Work  Confined Space Entry  Lockout/Tagout  Special rigging event  
 Elevated scaffold work (Above 5 ft)  Other \_\_\_\_\_

Brief Description of Work:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Starting Time: \_\_\_\_\_ Date: \_\_\_\_\_ Expiration Time: \_\_\_\_\_ Date: \_\_\_\_\_

The following areas / items have been evaluated and are required for the work:

Atmospheric Hazards	Hazard Controls	PPE	Miscellaneous
Oxygen content: 20.8 %	Mechanical Ventilation	X Face / eye protection	Portable Radio
LEL : < 10%	Fluid / Gas Free	Fall protection	Lighting
H2S : < 10 PPM	Lockout / Tagout	X Gloves	Tripod / Harness
CO: < 35 PPM	Fire Watch needed	X Hearing Protection	OTHER:
OTHER:	Portable gas detector	Air purifying respirator	
	Barricades/signs/labels	SCBA	

Employee sign-in:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## Check the type of hazards associated with this work permit:

Explosive gases / vapors	Sudden release of energy	X Slipping / tripping / falling	Poor visibility
Poisonous gases / vapors	Confined space	Overhead work	Other (on back)

**PERMIT VALIDATION – 7 DAY MAXIMUM**

Day One  Day Two  Day Three  Day Four  Day Five  Day Six  Day Seven

EHS Initial \_\_\_\_\_

PRODUCTION Initial \_\_\_\_\_

Permit suspension:  Yes  No Reason: \_\_\_\_\_

Suspended by: \_\_\_\_\_ Time: \_\_\_\_\_ Date: \_\_\_\_\_

Re-activated by: \_\_\_\_\_ Time: \_\_\_\_\_ Date: \_\_\_\_\_

Permit approval: \_\_\_\_\_ (Production)  
 (EHS)**PERMIT CLOSE-OUT SIGN-OFF:**Work is -  completed -  not completed Site is in a -  safe condition  
 Housekeeping is -  completed Normal operations -  may be resumed**NEW PERMIT ISSUED** Closure approval: \_\_\_\_\_ (Production)  
 (EHS)

SI-EHS FORM #003/REV.0



# Example only

## JOB RISK ANALYSIS

TO BE COMPLETED BY  
THE EHS DEPT

JRA #

LOCATION:	TASK:	Welding, Cutting, Brazing	DATE:																
How to use this form:		ANALYSIS PERFORMED BY:																	
1. Crew Performing task review ALL hazard considerations.	2. Review any previous JRA update(s) for useful information, which will help this task.	3. Carry out task per plan. If any conditions change, STOP and RE-ASSESS !!!!!	4. Keep one copy of the JRA for future reference. Submit one copy to the EHS (Safety) Dept. for recordkeeping. Update this JRA as needed																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">STEP #</th> <th style="width: 40%;">DESCRIPTION</th> <th style="width: 25%;">POTENTIAL HAZARD</th> <th style="width: 20%;">CONTROLS/ACTION TAKEN TO MANAGE HAZARD</th> </tr> </thead> <tbody> <tr> <td>9</td> <td>Barracade</td> <td>Not barricading the hot-work area off can result in accidents/injuries.</td> <td>Post proper barricade around your hot work area to keep unauthorized personnel out. All Barricade "shall" be removed when task is complete.</td> </tr> <tr> <td>10</td> <td>Break, Lunch &amp; End Of Shift</td> <td>Not removing gas lines from confined spaces can result in serious bodily injuries.</td> <td>All gas lines shall be removed from all spaces at break lunch &amp; end of shift &amp; removed from the manifold.</td> </tr> <tr> <td>11</td> <td>call a timeout</td> <td>Not calling a time out when there is an unsafe act going on in the work area can cause bodily injury and accidents.</td> <td>* In the event of an emergency contact your supervisor or the safety Department. Also contact the Rig Manager. Always call a "timeout" when there is an unsafe act taking place in your work area. Stop the unsafe action to prevent injury and accidents.</td> </tr> </tbody> </table>				STEP #	DESCRIPTION	POTENTIAL HAZARD	CONTROLS/ACTION TAKEN TO MANAGE HAZARD	9	Barracade	Not barricading the hot-work area off can result in accidents/injuries.	Post proper barricade around your hot work area to keep unauthorized personnel out. All Barricade "shall" be removed when task is complete.	10	Break, Lunch & End Of Shift	Not removing gas lines from confined spaces can result in serious bodily injuries.	All gas lines shall be removed from all spaces at break lunch & end of shift & removed from the manifold.	11	call a timeout	Not calling a time out when there is an unsafe act going on in the work area can cause bodily injury and accidents.	* In the event of an emergency contact your supervisor or the safety Department. Also contact the Rig Manager. Always call a "timeout" when there is an unsafe act taking place in your work area. Stop the unsafe action to prevent injury and accidents.
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\*USE BACK OF FORM IF NECESSARY TO COMPLETE LISTING TASK

## EHS DEPT REVIEW

REVIEWED BY:

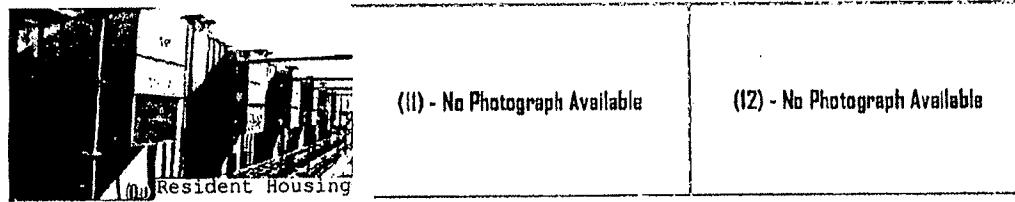
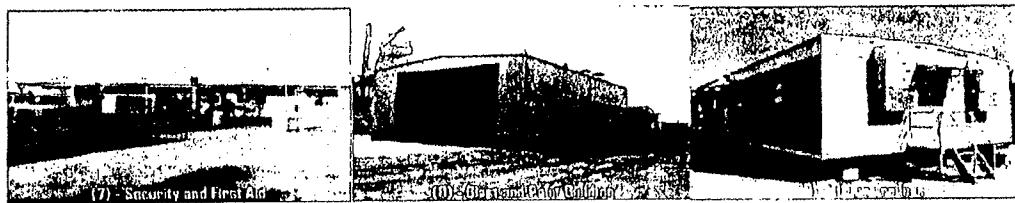
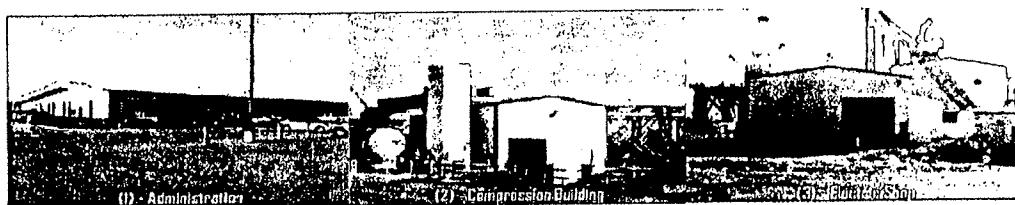
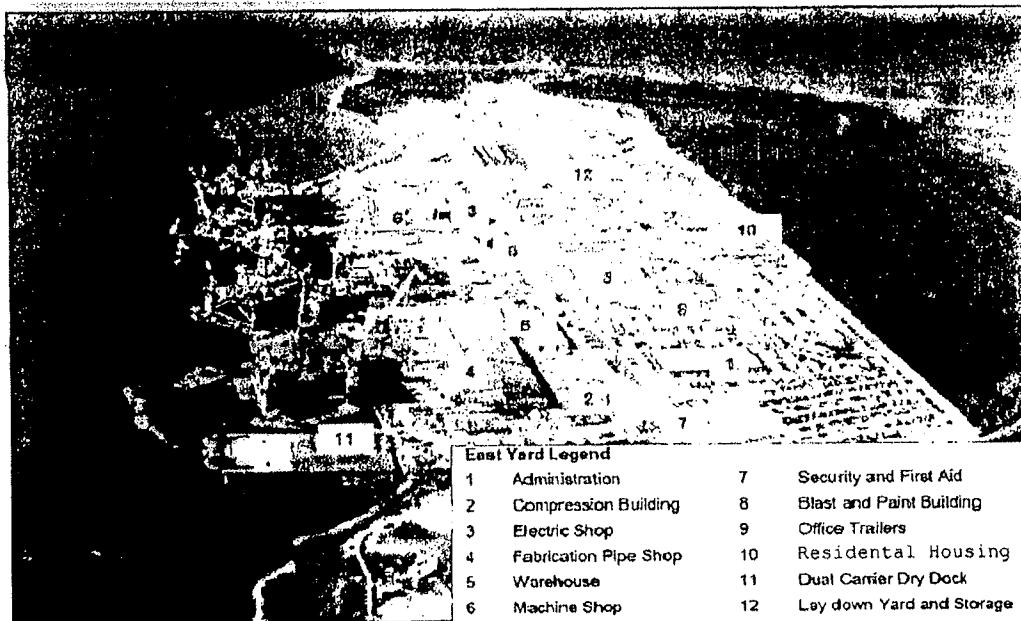
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Signal International, LLC

Risk Assessment Report Appendix Photographs

SHAI December 2008

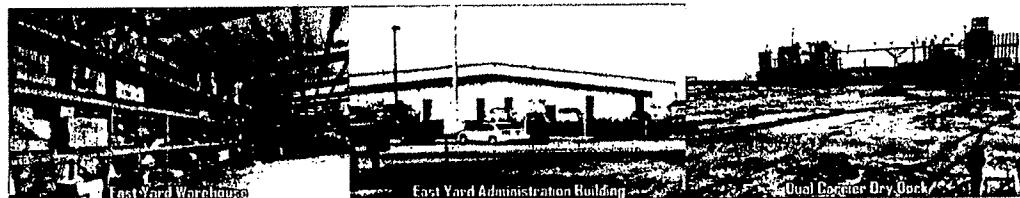
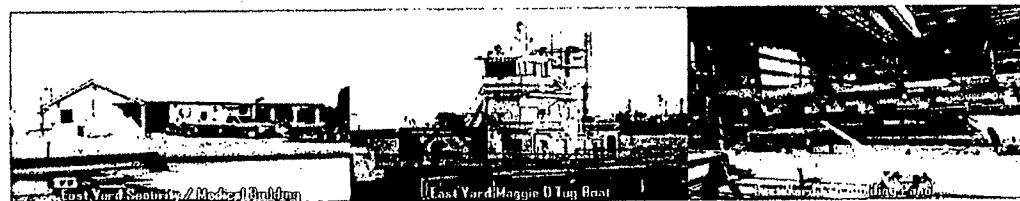


Signal International, LLC

Risk Assessment Report Appendix Photographs

SHAI December 2008

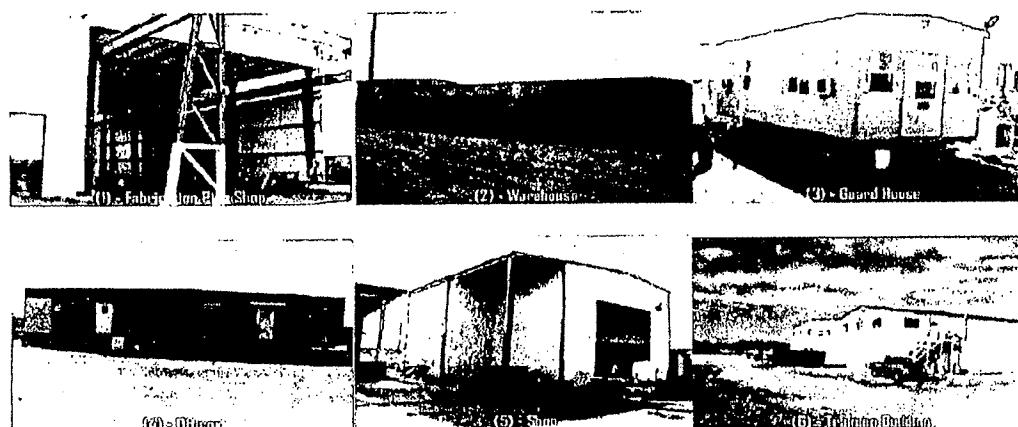
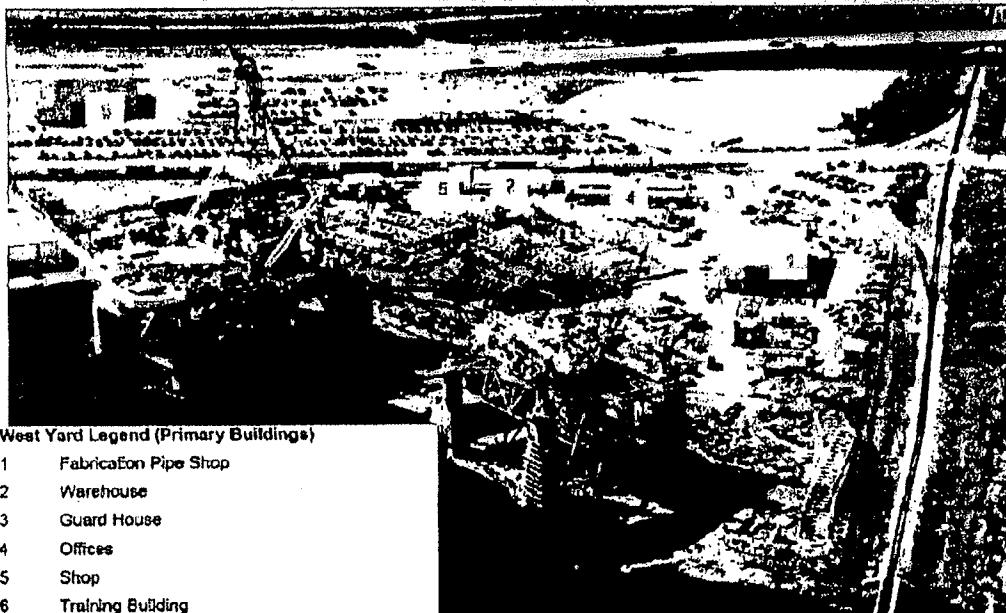
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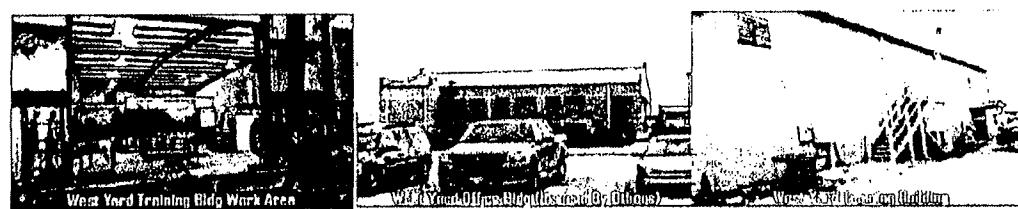
Signal International, LLC

Report Appendix  
Photographs

SHAI December 2008



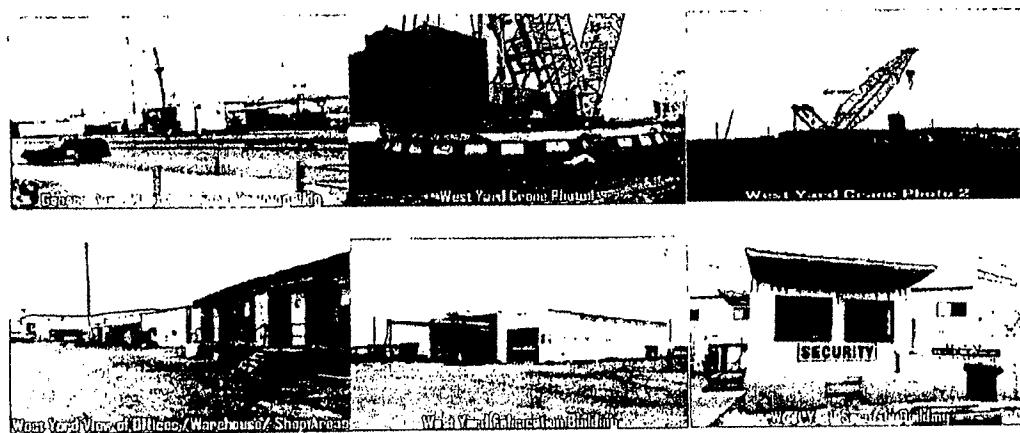
Other Photographs



Signal International, LLC

Report Appendix  
Photographs

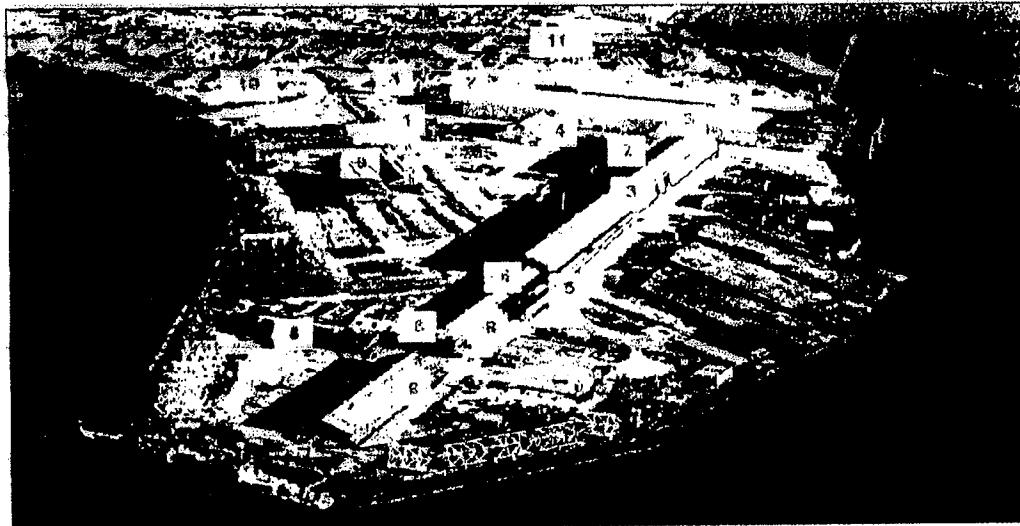
SHAI December 2008



Signal International, LLC

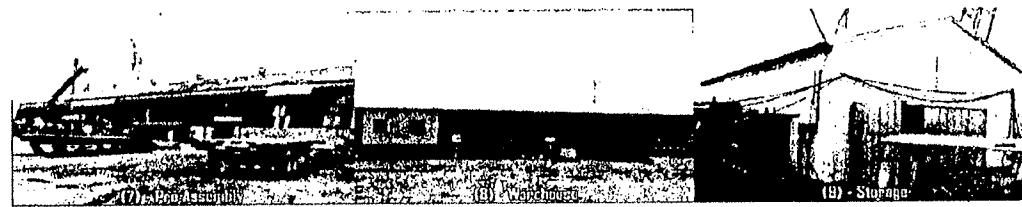
Report Appendix Photographs

SHAI December 2008



Orange Yard

1	Blast and Paint Buildings	6	Pipe Warehouse
2	Fabrication Shop East	7	Pre Assembly
3	Main Fabrication Shops	8	Warehouse
4	Maintenance Building	9	Storage Building
5	Storage Building	10	Offices
		11	Buckley Office and Shop



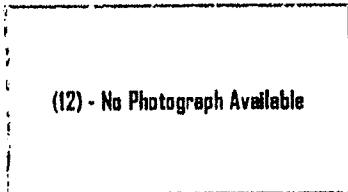
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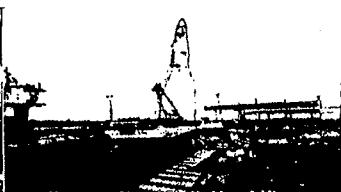
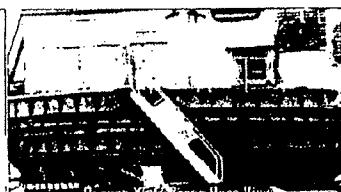
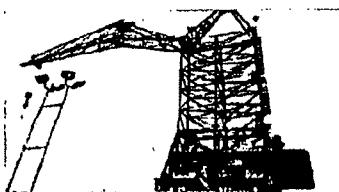
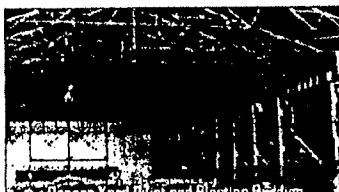
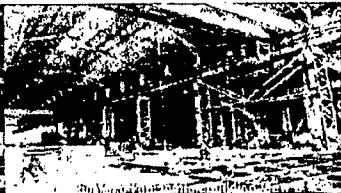
Signal International, LLC

Report Appendix Photographs

SHAI December 2008



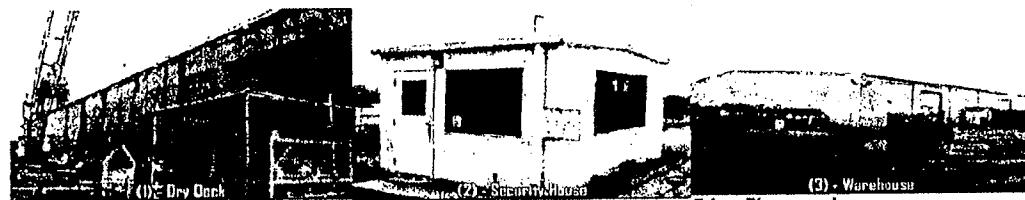
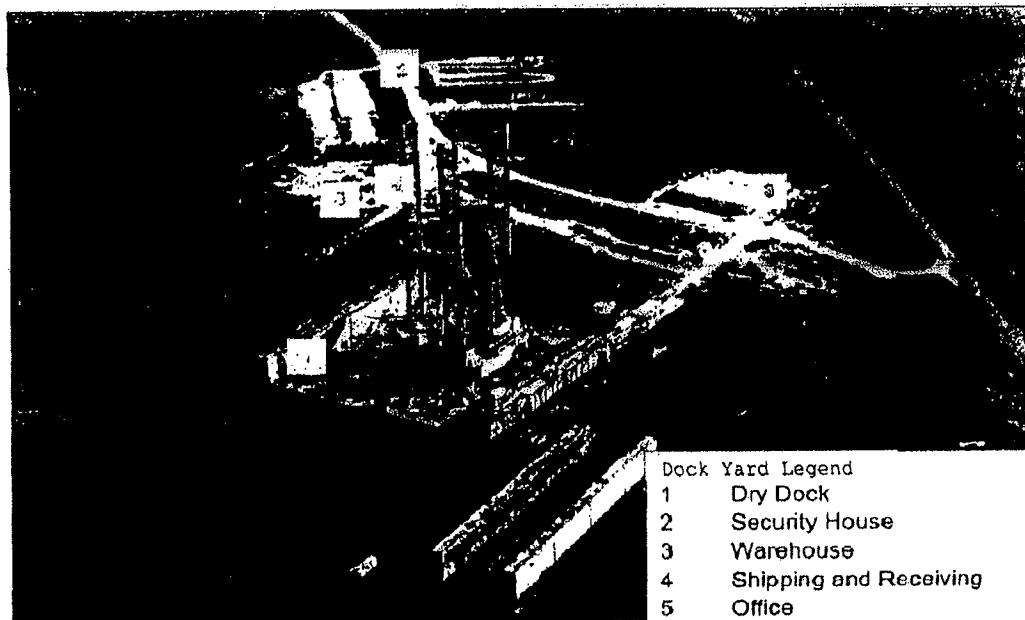
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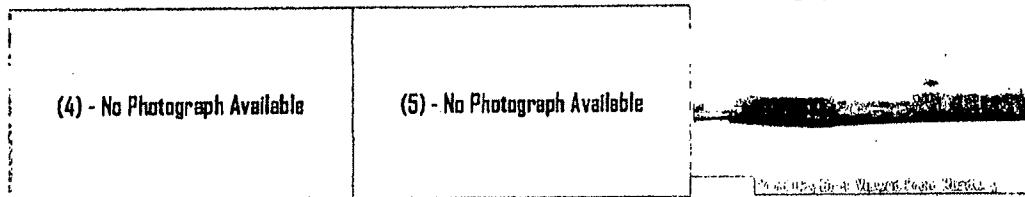
Signal International, LLC

Report Appendix Photographs

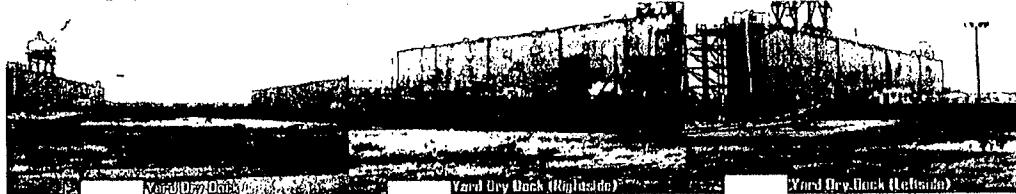
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Other Photographs



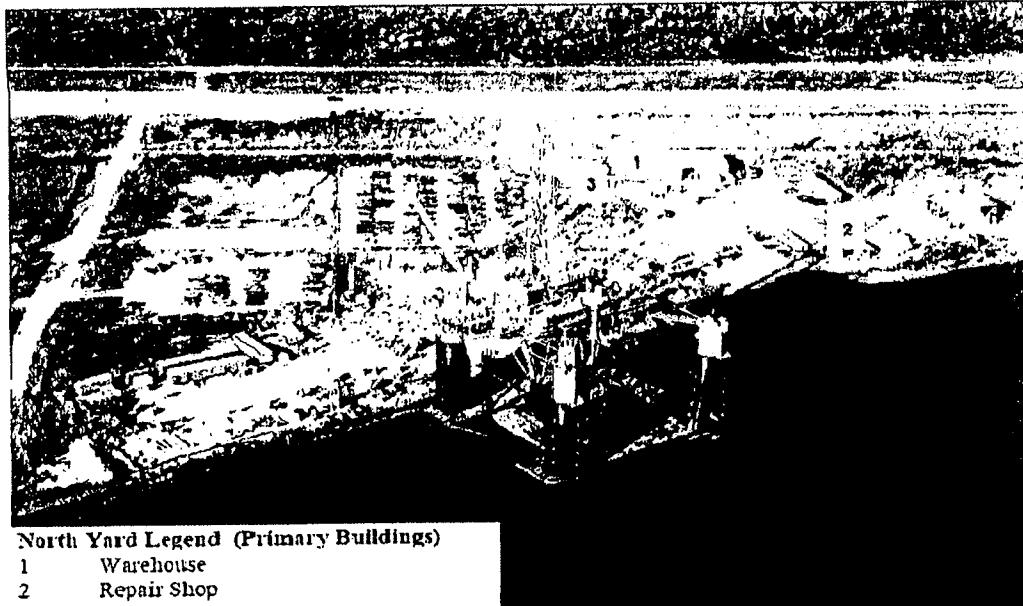
Other Photographs



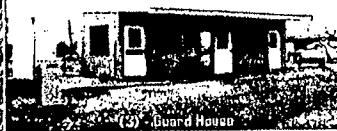
Signal International, LLC

Report Appendix Photographs

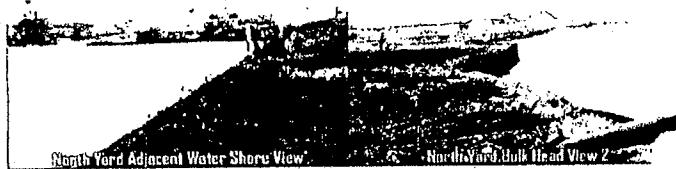
SHAI December 2008



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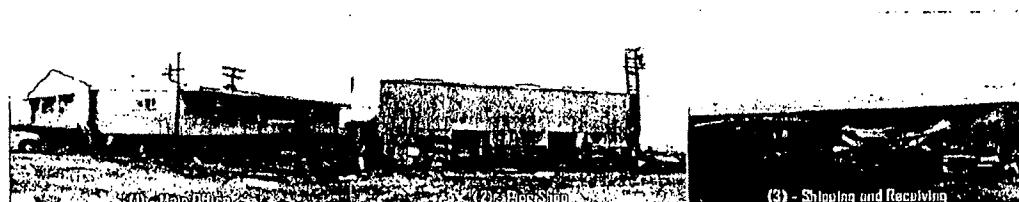
Other Photographs



Signal International, LLC

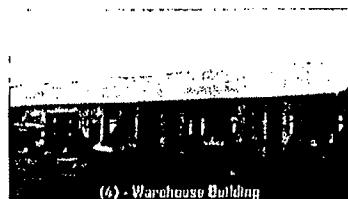
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SHAI December 2008

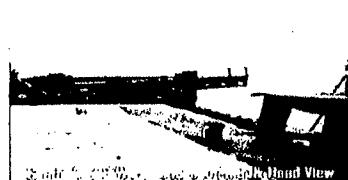


(2) - Pipe Shop

(3) - Shipping and Receiving



Other Photographs



1/28/2009 2:43:07 PM - John Daniel (John.daniel)  
Brokerage - 1099841

\$46,683,450 In Scheduled Equipment as well as Leased/Rented equipment is included in the total TIV.

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Issue Date: January 14, 2009



## **PROPERTY INSURANCE SUBMISSION**

**Effective  
From: January 30, 2009  
To: January 30, 2010**

**Presented by:  
Willis of Alabama, Inc., Mobile**

Issue Date: January 28, 2009

**Signal International, LLC**  
**Table of Contents**

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General Information.....	1
Executive Summary and Description of Operations .....	2
Underwriting Questions – General Information.....	3
Named Insureds.....	4
Primary Property Coverage.....	5

Issue Date: January 28, 2009

## **Signal International, LLC General Information**

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**First Named Insured:** Signal International, LLC  
**Account Number:** 698270

**Mailing Address:** PO Box 7007 Pascagoula MS 39568

**Financial Contact:** Chris Cunningham 228-762-0010

**Inspection Contact:** Lisa Spears – same

**Web Site Location:** [www.signalinternational.com](http://www.signalinternational.com)

**Effective Date:** January 30, 2009

**Expiration Date:** January 30, 2010

**Producer:** John Bullock  
**Servicer:** Joyce Johnson  
**Marketer:** Zaleen Palmer

**SIC Code/Industry:** Shipyard

Note: Willis will handle all Countersignature requirements with its affiliated offices.

Issue Date: January 28, 2009

## **Signal International, LLC Executive Summary and Description of Operations**

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Willis is pleased to present this submission on behalf of Signal International, LLC.

Signal International, LLC purchased the assets of FGO in 2003 and operates two yards in Pascagoula MS and four in the Port Arthur, Orange TX areas. The primary yards are the East Yard (MS) and the Orange Yard (TX). The principal focus is offshore drilling rig overhaul, repair, upgrade and conversion. Additionally, they provide services to the general marine and heavy fabrication markets. Additional information relative to current projects, safety, and operations is available on their website: [signalint.com](http://signalint.com)

Signal desires long-term relationships with insurance carriers who are both financially secure and can provide a competitive insurance program that respond promptly to their needs. Signal International, LLC is interested in insurers offering a flexible policy with broad coverage and requiring minimal servicing and endorsements. To this end, the Willis form wording is included in the submission. The specifications are to be considered as an outline for the designed program which is included in this submission. Proposals for broader coverage and expanded limits are encouraged.

Appraisals have been obtained and values have been updated; blanket coverage on a replacement cost basis (except as otherwise noted) is requested. The insured has updated the BI worksheet, and a Property Risk Assessment Report is being completed by Stephen Heller & Associates. While the final report is not ready at this time, a draft is included in the submission.

We thank you for your consideration.

Issue Date: January 28, 2009

**Signal International, LLC**  
**Underwriting Questions – General Information**

**Explain all "yes" responses**

- 1 Is the applicant a subsidiary of another entity or does the applicant have any subsidiaries?
- 2 Is a formal safety program in operation?
- 3 Any exposure to flammables, explosives, chemicals?
- 4 Any catastrophe exposure?
- 5 Any other insurance with this company or being submitted?
- 6 Any policy or coverage declined, cancelled or non-renewed during the prior three years?
- 7 Any past losses or claims relating to sexual abuse or molestation allegations, discrimination or negligent hiring?
- 8 During the last ten years, has any applicant been convicted of any degree of the crime of arson?
- 9 Any uncorrected fire code violations?

<b>Yes</b>	<b>No</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Explanations to "Yes" Responses**

- 1) Per organization chart.
- 2) Yes – see corporate overview
- 3) Usual to shipyard industry
- 4) Gulf Coast windstorm

Issue Date: January 28, 2009

**Signal International, LLC**  
**Named Insureds**

<b>First Named Insured</b>	<b>Legal Entity</b> *	<b>Interest</b>	<b>Description of Operations</b>
Signal International, LLC	LLC	Owner of Signal International Texas GP, LLC (100%) and Signal International Texas, LP (99%)	MS assets and debt
<b>Other Insureds</b>	<b>Legal Entity</b> *	<b>Interest</b>	<b>Description of Operations</b>
Signal International Texas GP, LLC	LLC	Owner of Signal International Texas, LP (1%)	
Signal International Texas LP	LP		TX assets and debt
Acon Offshore Partners, LP	LP	Owner of Signal International LLC (100%)	
ACON Offshore, LLC**	LLC		
Yates Offshore, LLC**	LLC		
Wilcar, LLC**	LLC		

\*

I – Individual

NP – Not for Profit

LC – Limited Corporation

P – Partnership

C – Corporation

S – Subchapter "S"

LLC – Limited Liability Corporation

JV – Joint Venture

O – Other

\*\*Added as respects policies except Workers Compensation

Issue Date: January 28, 2009

## Signal International, LLC Property Coverage

**TYPE:** All Risks of Direct Physical Loss, Damage or Destruction of Property Insured, including but not limited to "Boiler and Machinery," "Earthquake" and "Flood" and/or as more fully defined in the Policy wording.

**FORM:** J(A) Insurance Policy and/or Companies Equivalent

**INSURED:** Signal International, LLC and any owned, controlled, associated or affiliated subsidiary, company, corporation, organization, trust or association as now or may hereinafter be constituted or acquired; the interest of the First Named Insured in any partnership or joint venture, to the extent not otherwise insured; and any entity for which the First Named Insured has agreed to provide insurance, as their respective rights and interests appear or as defined in the Policy wording.

**MAILING ADDRESS:** P.O. Box 7007, Pascagoula MS 39568

**PERIOD:** This policy attaches and insures for a period of 1 year, from January 30, 2009 to January 30, 2010 beginning and ending at 12:01 AM at the above mailing address of the insured.

**INTEREST:** The insurable interest of the Insured in all real and personal property of every kind and description, at a "location" or within 1000 feet thereof, including the "insurable interest of the Insured in property of others in the care, custody or control of the Insured" and at the option of the Insured, property of officers, directors and employees of the Insured while at a "location" or anywhere within the Policy territory when the officer, director or employee is acting on behalf of the Insured, but excluding personal effects; "Time Element"; and/or as may be more fully set out in the Schedule of Coverages attached and as defined in the Policy wording.

**SUM INSURED:** USD25,000,000. Blanket Property Damage and "Time Element" per "occurrence" all coverages combined.  
ONLY TO PAY EXCESS PER OCCURRENCE OF THE DEDUCTIBLE SET FORTH BELOW

**DEDUCTIBLE:** Program Deductible being USD100,000. in respect of all losses other than the Schedule of Exceptions to Program Deductible (for 100%) as attached.

Issue Date: January 28, 2009

**SITUATION:**

This Policy insures within and between the 50 states of the United States and Canada, and in the territories and possessions of the United States. However, as respects Contingent "Time Element" and Royalties this Policy insures worldwide except for loss or damage in any country where trade relations are unlawful as determined by the Government of the United States of America or its agencies, unless the Insured has been granted a U.S. Treasury Department of Foreign Assets Control license to do business in that country and then this Policy insures only to the extent legally permitted as a result of the issuance of such license.

**CONDITIONS:**

This insurance is subject to the same terms, clauses and conditions as the Policy Wording as included in the Underwriting Submission. Acknowledgement of agreement to this wording or any required amendments to it must be received by Zaleen Palmer at [zaleen.palmer@willis.com](mailto:zaleen.palmer@willis.com) no later than 01/15/2008.

**Order will be subject to agreement of Insurer to issue formal policy documentation within 30 days of binding.**

Schedule of Program Sub-limits (for 100%) as attached.

Schedule of Coverages as attached.

Watercraft Amendment – Exclusion E \_ Watercraft is amended as follows: E. This policy does not insure watercraft. This exclusion shall not apply to the coverage on watercraft provided in "Off-shore Property" below (k). This exclusion shall not apply to the dry-dock known as Dual Carrier while the Dual Carrier is located within 5 miles of the insured's premises. This exclusion shall not apply to other dry-docks while located within 1 mile of the insured's premises.

Boiler & Machinery Coverage -- Excess Coverage; Joint or Disputed Loss Agreement per Travelers Policy wording applies to this policy.

90 Days Notice of Cancellation

Electronic Date Recognition Clause

Mold, Mildew or Fungus excluded unless resulting from a "Listed Peril"

Electronic Media and Electronic Data excluded unless damaged by a "Listed Peril"

Issue Date: January 28, 2009

Asbestos Material excluded unless damaged by a "Listed Peril"

Pollution, Contamination excluded unless causing or resulting from a "Listed Peril"

Nuclear Reaction, Radiation or Radioactive Contamination excluded, but including Radioactive Assumption

War excluded

Terrorism excluded

Loss Payees, Mortgagees and Additional Insureds automatically included herein with advice to Insurer waived

Permission granted to Willis of Alabama, Inc. and/or the Willis Certificate Center to issue Certificates or Evidences of Insurance as and when applicable without advice

Replacement Cost including Capital Expenditure if actually repaired and replaced; otherwise Actual Cash Value; except dry-docks and Scheduled Contractors Equipment at Actual Cash Value. As respects Leased/Rented Equipment, Replacement Cost valuation applies if required by lease agreement.

Valuable Papers and Records and Electronic Media and Electronic Data at Cost to Reproduce, Re-create and Research

Selling price on "finished stock"

Actual Loss Sustained as applicable

No Coinsurance

Omissions and Errors

Unlimited Vacancy

Waiver of Subrogation (prior to loss)

Priority of Payments/Drop Down Provisions (applicable only to excess participations)

**CHOICE OF LAW & JURISDICTION:** Choice of Law: Mississippi  
Jurisdiction: USA  
Service of Suit: LMA 5020 or LMA 5028 (where applicable)

Issue Date: January 28, 2009

**PAYMENT TERMS:** US Premium: 45 days from policy inception

**BROKERAGE:** 10%

**TAXES PAYABLE BY INSURED:** Insurance premium taxes, guarantee fund surcharges, government schemes and any other fees due in jurisdiction in which the Insured operates and customarily payable by the Insured.

**INFORMATION:** As per the Willis Underwriting Submission dated 01/15/2009, including Loss History contained therein. For premium purposes only, the 100% PD/BI values are USD211,328,279.

Issue Date: January 28, 2009

**SCHEDULE OF PROGRAM SUB-LIMITS OF LIABILITY (FOR 100%) AND TIME LIMITS**

Application of Program Sub-limits of Liability

1. The Program Sub-limits of Liability apply per "occurrence" in excess of any applicable deductible, unless otherwise stated
2. The Program Sub-limits of Liability represent the maximum amount recoverable in respect of the limited coverage over all Underlying, Contributing or Excess Insurance combined.
3. The Program Sub-limits of Liability shall not increase the Limit of Liability (Sum Insured) of the Policy.

USD500,000.	Accounts Receivable
USD2,500,000.	Automatic Coverage on Newly Acquired Property, Property Damage and "Time Element" combined
USD250,000.	Contamination Cleanup, land and water, in the aggregate during any Policy year
USD500,000.	Contingent "Time Element"
USD5,000,000.	Contractors Equipment Leased, Borrowed, Rented or Loaned
USD150,000.	Contractors Equipment – Rental Reimbursement, but not more than \$2,500 per day for up to 60 days
USD5,000,000. or 25% of the Property Damage and "Time Element" claim payable under this Policy, whichever is greater.	Debris Removal and Cost of Cleanup
USD250,000.	Decontamination Costs
USD5,000,000.	Demolition and Increased Cost of Construction Property Damage and Law, Ordinance or Regulation "Time Element" combined
USD25,000,000.	"Earthquake" in the aggregate during any Policy year, Property Damage and "Time Element" combined.
USD1,000,000.	Electronic Media and Electronic Data, Property Damage and "Time Element" combined
USD1,000,000.	Expediting Expense

Issue Date: January 28, 2009

USD25,000,000. "Flood" in the aggregate during any Policy year, Property Damage and "Time Element" combined. This aggregate does not apply to Flood resulting from a Named Storm.

USD500,000. "Fine Arts"

USD1,000,000. Interruption by Civil or Military Authority

USD1,000,000. Loss of Ingress or Egress

USD1,500,000. "Miscellaneous Unreported Locations," Property Damage and "Time Element" combined per "location"

USD2,500,000. Omissions and Errors

USD2,500,000. Service Interruption, Property Damage and "Time Element" combined

USD10,000,000. Property in the Course of Construction, Property Damage and "Time Element" combined

USD10,000,000. Property in Transit

USD500,000. Valuable Papers and Records

SUD1,000,000. Exhibition, Fairs and Trade Shows

USD1,000,000. Leasehold Interest

USD1,000,000. Fire Department Service Charges

USD1,000,000. Personal Property of Officers and Employees

USD100,000. Claim Preparation

USD1,000,000. Research and Development

USD2,500,000. Business Income Interdependency Coverage

USD2,500,000. Increased Tax Liability

USD1,500,000. Business Personal Property at Offsite Storage Facility

USD500,000. Plans, Blueprints, Drawings, Models or Specifications

USD5,000,000. Newly Acquired Equipment (120 days to report)

USD5,000,000. Waterborne Equipment

Issue Date: January 28, 2009

USD3,000,000. Unscheduled Equipment, with no individual item to exceed USD250,000.

USD1,000,000. Miscellaneous Tools, with no individual item to exceed USD100,000.

In the event of a claim, payment shall not exceed the "Time Element" loss incurred during the following Time Limits

**Time Limit      The following shall apply**

120 Consecutive days limit      Extended Period of Recovery

120 Consecutive days limit      Automatic Coverage on Newly Acquired Property (this Time Limit begins on the date of knowledge of such Location by the Insured's Finance Department)

30 Consecutive days limit      Interruption by Civil or Military Authority

30 Consecutive days limit      Loss of Ingress or Egress

90 Consecutive days limit      Ordinary Payroll

Issue Date: January 28, 2009

**SCHEDULE OF EXCEPTIONS TO PROGRAM DEDUCTIBLE (FOR 100%)**

As respects Time Element	10 days (in addition to property damage deductible, except for specific perils referenced below)
As respects Bulkheads (and any attached equipment)	USD200,000. any one occurrence
As respects to dry docks (and any attached equipment)	2% of the actual cash value of the dry dock involved in the loss or damage, subject to a minimum of USD250,000. any one occurrence
As respects Cranes, Booms, Derricks and Lifts	USD25,000. any one occurrence
As respects Blanket Leased/Rented Equipment (other than cranes) with values less than USD100,000	USD5,000. any one occurrence
As respects Blanket Leased/Rented Equipment (other than cranes) with values greater than USD100,000	USD25,000. any one occurrence
As respects Named Storm including Flood resulting from Named Storm	5% of values affected at time of loss including building, contents, equipment (not including dry-docks or "Time Element") involved in loss or damage arising out of a "Named Storm" including resulting "Flood" loss from Storm Surge regardless of the number of coverages, locations or perils involved, and subject to a minimum of USD250,000. any one occurrence.
As respects Flood (except Flood resulting from Named Storm)	5% of values affected at time of loss including building, contents, equipment (not including dry-docks or "Time Element") involved in loss or damage arising out of a "Flood" (not resulting from a "Named Storm") subject to a minimum of USD1,000,000. any one occurrence.

If two or more deductible amounts in this Policy apply to an occurrence the deductibles shall be applied separately but the cumulative deductions so calculated shall not exceed the largest deductible applicable

Issue Date: January 28, 2009

**SCHEDULE OF COVERAGES IN POLICY**

**Property Damage**

**Accounts Receivable**

Automatic Coverage on Newly Acquired Property

Brands and Labels/Control of Damaged Property

Claim Preparation Expenses

Consequential Loss

Contamination Cleanup

Debris Removal and Cost of Clean Up

Decontamination Costs

Defense Expenses

Destruction of Property at the Order of Public Authority

Electronic Data Processing Equipment, Media and Data

Expediting Expense

Fine Arts and Antiques

Improvements and Betterments

Increased Tax Liability

Land Improvements

Operation of Building Laws

Personal Property of Officers, Directors and Employees

Preservation of Property

Property in Course of Construction

Property in Transit

Protection Devices

Removal

Service Charges

Service Interruption (no distance limitation, no waiting period to apply)

Valuable Papers and Records

Issue Date: January 28, 2009

Time Element

Business Interruption Gross Earnings

Expenses to Reduce Loss

Extra Expense

Leasehold Interest

Rental Value

Contingent "Time Element" (direct suppliers and receivers, attraction properties)

Interdependent Time Element

Interruption by Civil or Military Authority (five mile limitation)

Law, Ordinance or Regulation

Loss of Ingress or Egress (five mile limitation)

Rental Value

Royalties

Service Interruption (no distance limitation)

Soft Costs (Property in Course of Construction)



## Proprietary Information

Signal International, LLC  
Statement of Values

1/16/2009

MS DIVISION	Bldg #	Street	City	State	Building Structures		Equipment		Comments	Year Built	Age	Wear	Heat	Alarm	Schem	Status	Categ
					Real Estate	Cash Value	Contents	Inv. Val.									
1 Total	601 Bayou Cassette Ph	Pascagoula	MS	\$	21,653,600	\$	14,539,584	\$	13,350,000	\$	49,543,184	East Yard					1998
									\$	3,150,000		Bulkhead					
					\$	1,925,000			\$	10,200,000		Dry-dock: Dual Carrier					
					\$	2,461,000						Work Platform					1998
					\$	3,858,600	\$	2,521,408				Gantry Crane Rail					1998
E001	E002				\$	54,900	\$	230,000				Administration Building	36,484	1998	Masonry	1	Yes
E003					\$	466,800	\$	395,000				Compressor Bldg.	1,407	1985	Metal	1	No
E004					\$	9,189,300	\$	4,300,000				Bedroll Shop	9,378	1995	Metal	1	No
E005					\$	682,600	\$	592,800				Fab Pipe Shop	85,175	1985	Metal	1	No
E006					\$	225,000	\$	195,600				Machine Shop	13,511	1995	Metal	1	No
E007					\$	108,800	\$	-				Maintenance Shop	4,533	1995	Metal	2	No
E008					\$	48,400	\$	30,100				North Restroom	1,540	1995	Metal	1	No
E009					\$	111,600	\$	-				Security First Aid	918	1995	Frames	1	No
E010					\$	521,700	\$	2,500,000				South Restroom	1,575	1995	Metal	1	No
E011					\$	552,400	\$	Included above				Warehouse 1/Tool Room	18,304	1995	Metal	1	No
E012					\$	558,000	\$	Included above				Warehouse 2/Tool Room	19,389	1995	Metal	1	No
E013					\$	466,000	\$	1,063,876				Warehouse 3/Tool Room	19,801	1995	Metal	1	No
E014					\$	30,000	\$	85,300				Blast/Paint	11,361	2008	Metal	1	No
E015					\$	8,400		-				Boiling Bldg	2,020	1990	Metal	1	No
E016					\$	7,500	\$	136,000				Fuel Station	487	2005	Masonry	1	No
E017					\$	3,300	\$	102,000				Primary Time Clock	320	2005	Fringerless F	1	No
E018					\$	12,400	\$	24,800				Secondary Time Clock	311	2008	Metal	1	No
E019					\$	75,700	\$	52,800				Paint Storage (Blast Yard)	1,165	1998	Metal	1	No
E020					\$	10,900	\$	33,500				Trailer(s) 3 QA/QC	1,889	2005	Metal	1	No
E021					\$	139,500	\$	97,400				Trailer, Engineering	1,204	2006	Metal	1	No
E022					\$	22,800	\$	15,900				Trailer (s), 6 Superintendent	3,504	2005	Metal	1	No
E023					\$	77,000	\$	52,300				Trailer, Safety	572	2005	Metal	1	No
E024					\$	12,300	\$	2,000,000				Trailer, Document Control	1,880	2008	Metal	1	No
E025					\$	13,900	\$	30,800				Quonset, Scaffold	1,144	1950	Metal	1	No
E026					\$	-	\$	80,000				Portable Storage (9)	1,188	2005	Metal	1	No
2 Total	3508 Port Authority Rd	Pascagoula	MS	\$	1,938,300	\$	883,700	\$	1,575,000	\$	4,397,000	West Yard					
									\$	1,575,000		Bulkhead					
									\$	313,800		Fab Pipe Shop	12,276	1998	Metal	1	No
									\$	65,300		Mechanic Shop	1,547	1998	Metal	1	No
									\$	-		Restroom	827	1998	Masonry	1	No
									\$	-		Receiving/Warehouse	6,150	1990	Metal	2	No
									\$	-		Fuel Station	989	2008	Metal	1	No
									\$	-		Trailer, Production	1,904	2006	Metal	1	No
									\$	-		Compressor Bldg.	404	2005	Metal	1	Yes
									\$	-		Trailer, Safety	1,000	1990	Metal	1	No
									\$	-		Production Office	164	1995	Masonry	1	No

see200

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## Proprietary Information

Signal International, LLC  
Statement of Values

1/16/2009

Loc #	Street	City	State	Building Structures		Business Equipment		Inventory		Construction		Assets		Liabilities		Equity	
				Per Unit	Cost Value	Contents	Inv	Inv	Value	Time Clock Alley	Paint Storage (Blast Yard)	206	2007 Metal	1	No	No	Yes
W010				\$ 3,100	\$ 34,000							740	2008 Metal	1	No	Yes	Yes
W011				\$ 11,000	\$ 15,700							434	2008 Metal	1	No	Yes	Yes
W012				\$ 9,500	\$ 9,200							300	2006 Metal	1	No	Yes	Yes
W013				\$ 25,000								19,203	1997 Metal	2	Yes	Yes	Yes
3 T001	3401 Jerry St. Pkwy	Pascagoula	MS	\$ 946,700	\$ 494,500			\$ 1,441,200	Training Building								
4 M001	601 Bayou Cassette Pkwy	Pascagoula	MS	\$ 1,780,830	\$ 557,277			\$ 2,338,107	Man Camp Facility								
				\$ 932,500	\$ 213,400												
				\$ 237,425	\$ 218,256												
				\$ 91,955	\$ 65,000												
				\$ 88,200	\$ 33,000												
				\$ 268,940													
				\$ 121,500	\$ 11,621												
				\$ 35,000	\$ 11,800												
				\$ 3,310	\$ 4,200												
				\$ 26,318,430	\$ 16,475,061	\$ 14,925,000	\$ 57,719,491										
TX DIVISION																	
5 Total	2500 M. Lking Blvd	Port Arthur	TX	\$ 724,860	\$ 645,100	\$ 13,600,000	\$ 14,369,980	Dock Yard									
D001				\$ 7,700	\$ 51,000												
D002				\$ 2,100	\$ 5,500												
D003				\$ 135,000	\$ 169,000												
D004				\$ 482,700	\$ 406,300												
D005				\$ 27,900	\$ 33,000												
D006				\$ 58,600	\$ 15,300												
D007				\$ 2,900	\$ 7,000												
D008				\$ 7,950	\$ 18,000												
6 Total	2550 S. Goffway Dr	Port Arthur	TX	\$ 187,800	\$ 268,700	\$ 1,410,620	\$ 1,387,120	North Yard									
N001				\$ 49,300	\$ 97,880												
N002																	
N003				\$ 128,500	\$ 136,900												
N004				\$ 10,000	\$ 34,000												
7 Total	6830 S. First Ave	Sabine Pass	TX	\$ 477,300	\$ 1,087,500	\$ 1,087,500	\$ 1,584,800	South Yard									
S001				\$ 1,400	\$ -												
S002				\$ 268,000	\$ -												
S003				\$ 207,900	\$ -												
8 Total	St West Front St	Orange	TX	\$ 21,955,700	\$ 13,769,754	\$ 2,851,044	\$ 38,576,488	Orange Yard									
OR001				\$ 566,800	\$ 100,000	\$ 2,851,044	\$ 2,851,044	Blast Pit #1									
OR002				\$ 32,400	\$ 20,000												
OR003				\$ 4,200	\$ 6,100												
OR004				\$ 1,517,400	\$ 1,524,200												

2007

TRIPM 0074

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## Proprietary Information

Signal International, LLC  
Statement of Values

1/16/2009

Loc #	Street	City	State	Business Type/Item	Current Value	Acq Yr	Estimated or Replaced	Current Value	Total Value	Comments	Area	Year Built	Condition	Serviceable	Scrapped	Written Off
OR005				\$ 13,000.00	\$ 5,512,900					Main Fab Shop-N.C. S Bay Maintenance Bldg	215,686	1942	Metal	1	No	No
OR006				\$ 837,000	\$ 725,000					Joiner Warehouse	17,187	1942	Metal	1	No	No
OR007				\$ 70,000	\$ 60,880					Paint Storage	1,440	1980	Metal	1	No	Yes
OR008				\$ 23,500	\$ 20,000					Pipe Shop	2,752	1942	Metal	1	No	Yes
OR009				\$ 104,800	\$ 149,860					Warehouse 2 (Consumables)	7,048	1942	Metal	1	No	Yes
OR010				\$ 622,200	\$ 1,000,000					Power Plant Building (10)	21,590	1975	Metal	1	No	No
OR011				\$ 955,000	\$ -					Press Assembly	200	1961	Metal	1	No	No
OR012				\$ 1,379,000	\$ 1,747,100					Assembly Area (master area)	68,352	1942	Metal	1	No	Yes
OR013				\$ 8,300	\$ -					Warehouse 1	244	1997	Metal	1	No	Yes
OR014				\$ 410,500	\$ 437,000					Security Trailer	20,567	1942	Metal	1	No	Yes
OR015				\$ 4,500	\$ 8,890					Warehouse 4	316	1995	Metal	1	No	Yes
OR016				\$ 397,800	\$ 478,300					Welding Storage/Tool Room	1,104	1985	Metal	1	No	Yes
OR017				\$ 16,400	\$ 46,600					Maintenance Bldg (drive through)	575	1990	Metal	1	No	Yes
OR018				\$ 27,900	\$ 24,300					Pipe Warehouse	16,264	1942	Metal	1	No	Yes
OR019				\$ 304,600	\$ 345,600					Time Clock Alley Primary	244	2008	Wood	1	No	Yes
OR020				\$ 3,900	\$ 153,000					Warehouse 3	15,980	1975	Metal	1	No	Yes
OR021				\$ 319,100	\$ 383,800					Warehouse 5	23,171	2006	Metal	1	No	Yes
OR022				\$ 667,600	\$ 555,100					Ph 1	22,113	1975	Metal	1	No	Yes
OR023				\$ 476,200	\$ 100,000					Outfitting	6,582	1975	Metal	1	No	Yes
OR024				\$ 189,700	\$ 158,000					Time Clock Alley Secondary	84	2008	Metal	1	No	Yes
OR025				\$ 800	\$ 34,000					Production Office, Rental						
OR026				\$ -	\$ 178,354											
9 Total	65 Green Ave.	Orange	TX	\$ 1,434,600	\$ 544,700				\$ 1,979,300							
BU001	905 Pier Rd	Orange	TX	\$ 109,400	\$ 44,700					Office Building	1,365	1993	Masonry	1	No	Yes
BU002				\$ 1,325,200	\$ 500,000					Shop	12,144	1993	Metal	1	No	Yes
10 1011 Highway 6	Houston	TX		\$ -	\$ 16,795											
11 905 Pier Rd	Orange	TX		\$ -	\$ 748,845											
Total TX				\$ 24,780,200	\$ 15,983,884				\$ 18,949,164							
<b>TOTALS ALL LOCATIONS</b>				\$ 51,099,710	\$ 32,468,955				\$ 33,874,164							
Blanket Business Indenture																
Scheduled Equipment																
Blanket Leased/Rented Equipment no one item greater than \$250,000																
Blanket Office																
Blanket owned equipment less than \$100,000 any one item																
<b>TOTAL</b>				\$ 51,099,710	\$ 32,468,955				\$ 33,874,164			\$ 21,328,779				

S00000

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**Signal International, LLC**  
**Equipment Schedule**

1/16/2009

**Proprietary Information**

ID	Facility	Manufacturer	Description	Model	SN	Value	Status	Notes
0214	East	P&H	Plateyard Craneway	3764500	CD31069-BB	\$ 350,000	Owned	
0986	East	Krenco	Platten Bridge Crane	40 Ton	6560	\$ 695,000	Owned	
0180	East	Wash. Iron	Gantry Crane	45-275-180	6165	\$ 4,000,000	Owned	
0182	East	Manitowoc	Crawler Crane	M250 Series-2	250 1111	\$ 1,500,000	Owned	
0050	East	Manitowoc	Crawler Crane	4100 W	413001	\$ 1,100,000	Owned	
0068	East	Manitowoc	Ringer Crane	4100w Series 2	41558	\$ 1,250,000	Owned (On m/v "Miss Tiff")	
0221B	East	Manitowoc	Ringer Crane	4100	41524	\$ 2,000,000	Owned (On m/v "Mr. T")	
97-100	East	Kenworth	Heavy Hauler & trailers		143706K	\$ 1,000,000	Lease to Purchase from GE Capital	
1309	East	Wash. Iron	Gantry Crane	45-275-180	6164	\$ 4,000,000	Owned	
	East		Elevator Stair & Tower			\$ 270,000	Owned	
	East		Stair & Tower			\$ 200,000	Owned	
	East		Gantry Crane Beam			\$ 1,100,000	Owned	
<b>TOTAL EAST YARD</b>						<b>\$ 17,465,000</b>		
0090	West	Manitowoc	Ringer Crane	4600 Series-5	460078	\$ 2,200,000	Owned	
0017	West	Manitowoc	Crawler Crane	4000 W	401446	\$ 620,000	Owned	
0178	West	P&H	Platten Bridge Crane		CD-31066-BB	\$ 250,000	Owned	
<b>TOTAL WEST YARD</b>						<b>\$ 3,070,000</b>		
<b>Total MS Scheduled Equipment</b>						<b>\$ 20,535,000</b>		
1902	Orange	Manitowoc	Crawler Crane	3900	39610	\$ 150,000	Owned	
7003	Orange	Bethlehem Steel	Crane	400 Ton Stiff Leg		\$ 800,000	Owned (On m/v "Big Bessie")	
7011	Orange	Levingston	Crane	100 Ton Revolving		\$ 500,000	Owned (On m/v "Pelican")	
0181	Orange	Manitowoc	Crawler Crane	M250 Series-2	250 1110	\$ 1,500,000	Owned	
	Orange	Hyster	Fork Lift	18 Ton	FO19E01973C	\$ 150,000	Lease to Purchase (DeLage Lander)	
	Orange	Hyster	Fork Lift	18 Ton	FO19E02071C	\$ 150,000	Lease to Purchase (DeLage Lander)	
	Orange	Liebherr	Crawler Crane	LR1280 w/200'	136027	\$ 2,700,000	Leased	
	Orange	Kenworth	Heavy Hauler & trailers		143706K	\$ 1,000,000	Lease to Purchase from GE Capital	
<b>Total Orange Yard</b>						<b>\$ 6,950,000</b>		
Dock	Champion	Elevator		US-60-1RNU		\$ 250,000	Lease to Purchase (Wachovia)	
<b>Total Dock Yard</b>						<b>\$ 250,000</b>		
4021	South	Manitowoc	Crawler Crane	4000 W	40242	\$ 200,000	Owned	
	South	Groves	Cherry Picker	RT860	221151	\$ 463,450	Leased from H & E Equipment Lease #83802/T32461	
<b>Total South Yard</b>						<b>\$ 663,450</b>		
North		Generator w/ Fuel Tank				\$ 285,000		
<b>Total North Yard</b>						<b>\$ 285,000</b>		
<b>Total TX Scheduled Equipment</b>						<b>\$ 8,148,450</b>		
<b>Total:</b>						<b>\$28,683,450.00</b>		

Signal International, LLC  
 Five Year Property Loss Experience  
 as of 01/16/09

Policy Period	Date of Loss	Cause / Peril	Gross Loss	ALAE	Occurrence Deductible	Retained By Insured	Paid By Carrier
2004-2005	5/28/2004	Power Surge	25,000	908	25,000	25,000	908
2004-2005	6/2/2004	Wind Damage (not named)	25,000	15,307	25,000	25,000	0
	<b>Total</b>		<b>\$50,000</b>			<b>\$50,000</b>	<b>\$908</b>
2005-2006	8/29/2005	Hurricane Katrina	\$16,387,659		\$1,017,889	\$1,017,889	\$15,369,770
2005-2006	9/24/2005	Hurricane Rita	7,435,102		1,006,618	1,006,618	6,428,484
	<b>Total</b>		<b>\$23,822,761</b>			<b>\$2,024,507</b>	<b>\$21,798,254</b>
2006-2007		No Losses	\$0			\$0	\$0
	<b>Total</b>		<b>\$0</b>			<b>\$0</b>	<b>\$0</b>
2007-2008	9/14/2007	Tropical Storm Humberto	\$150,000		\$250,000	\$150,000	\$0
	11/6/2007	Crane Overturn	264,475		50,000	50,000	214,475
	12/17/2007	Drydock AFDB Flood	100,000		250,000	100,000	0
	<b>Total</b>		<b>\$514,475</b>			<b>\$300,000</b>	<b>\$214,475</b>
2008-2009	5/15/2008	Windstorm Damage (not named)□ to 1	\$65,000		\$50,000	\$65,000	\$0
	9/13/2008	Hurricane Ike**	\$25,000,000		\$1,000,000	\$1,000,000	Open
	10/7/2008	Drydock Damage	\$75,000		\$800,000	\$75,000	\$0
	<b>Total</b>		<b>\$25,140,000</b>			<b>\$0</b>	<b>\$0</b>

\*\* Claim open, gross value and deductible pending

Willis

3/22/2010

TRIPM 0077

Signal International, LLC  
 Five Year Property Loss Experience  
 as of 01/16/09

Policy Period	Date of Loss	Cause / Peril	Gross Loss	ALAE	Occurrence Deductible	Retained By Insured	Paid By Carrier
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With

2

1/28/2009

TRIPM 0078

Signal International, LLC  
 Five Year Property Loss Experience  
 as of 01/16/09

Policy Period	Date of Loss	Cause / Peril	Gross Loss	ALAE	Occurrence Deductible	Retained By Insured	Paid By Carrier

Willis

3

TRIPM 0079

1/28/2009

Signal International, LLC  
**Five Year Property Loss Experience**  
 as of 01/16/09

Policy Period	Date of Loss	Cause / Peril	Gross Loss	ALAE Deductible	Occurrence	Retained By Insured	Paid By Carrier
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Willis

TRIPM 0080

1/28/2009

4

Willis

BUSINESS INTERRUPTION  
Worksheet - Consolidated

## Signal International LLC

	Actual Results for the Fiscal Year Ending 12/31/07	Estimated Results for the Fiscal Year Ending 12/31/08	Estimated Results for the Next Fiscal Year Ending 12/31/09
# Pre-Tax Operating Profit from the Profit/Loss Statement (unaudited)	\$ 45,682,000	\$ 51,019,000	\$ 23,379,000
# Payroll, Payroll Taxes, Employee Benefits and Workers' Compensation for:			
a. Principals, Officers, Managers, Essential Employees and Employees Under Contract (Administration)	\$ 5,191,000	\$ 4,411,000	\$ 4,411,000
b. All Other Employees (Production)	\$ 19,643,000	\$ 23,142,000	\$ 13,397,000
# Fixed Costs and Normal Operating Expenses that Continue to Accrue Even if Business Operations are Interrupted (e.g. utility cost, rent, taxes)	\$ 8,389,000	\$ 6,015,000	\$ 6,015,000
# Total Business Interruption Exposure (1+2a+2b+3)	\$ 78,905,000	\$ 84,587,000	\$ 47,202,000
# To Exclude Business Interruption Coverage on Ordinary Payroll, Subtract Line 2b. Click on option			
Exclude      Include			
# Total Business Interruption Exposure Excluding Ordinary Payroll (4 minus 5)	\$ 78,905,000	\$ 84,587,000	\$ 47,202,000
# To Limit Coverage on Ordinary Payroll (Line 2b) to 30, 60, 90 or 180 Days, enter option here: Click on option below to calculate	\$ -	\$ -	\$ -
30      60      90      180			
# Total Business Interruption Exposure Including Limited Ordinary Payroll: Total Lines 6 + 7	\$ 78,905,000	\$ 84,587,000	\$ 47,202,000

Client Signature

Date

Date